This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

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**Listing of Claims:**

Claims 1-19. (canceled)

20. (currently amended) In a computer system a method for characterizing an investment portfolio, comprising the steps of:

identifying a group of possible investments to be held in the investment portfolio, and wherein the group of possible investments includes a plurality of mutual funds, and one or more of the plurality of mutual funds having a corresponding investment minimum;

inputting data for taxable investments;

inputting data for non-taxable investments;

inputting investor profile information;

providing a processor programmed to perform an ~~optimization~~ iterative routine that provides an optimization which ~~includes~~ utilizes the data for the taxable investments, the data for the non-taxable investments and the investor profile information and ~~which takes into account~~ accounts for capital gains or losses on taxable investments which would be sold;

wherein the iterative routine provides an investment recommendation which includes a recommended weighting for each investment held in the investment portfolio;

wherein the processor is further programmed to output ~~outputting~~ the [[an]] investment recommendation;

wherein the iterative routine performed by the processor includes an ~~optimization comprises performing an iterative non-linear~~ optimization routine, and the iterative

routine includes a first step, a second step, and a third step, and the three steps are executed automatically, without any user interaction;

wherein ~~and the optimization routine comprises a~~ the first ~~subroutine~~ step provides for running the optimization routine using different sets of predetermined initial weights for each of the possible investments, in an attempt ~~of attempting~~ to identify an optimal solution which provides an optimum weight for each investment of the group of the possible investments to be held in the portfolio ~~resolve a flat function problem by running the routine with different sets of initial values, and the optimization routine further includes a second subroutine~~;

wherein when ~~the flat function does not optimize~~ the first step does not provide an optimal solution with any of the predefined different sets of initial ~~values~~ weights ~~used in an initial step~~, the second step is performed ~~subroutine is utilized~~, wherein the second ~~subroutine~~ step includes: ~~taking~~ using a best solution ~~for a best case~~ from the first step as a starting point and then re-running the optimization routine, using only those investments with non-zero weights from best solution of the first step, to identify the optimal solution providing an optimum weight for each investment of the group of possible investments to be held in the portfolio; ~~and re running the optimization routine including only those investments with nonzero weights~~; and

wherein ~~when an~~ after the optimal solution is found using the first ~~subroutine~~ step or the second step, performing a third ~~subroutine~~ step of re-running the optimization routine to account for a minimum investment ~~values~~ value which corresponds to a mutual fund to be held in the portfolio~~; and~~

~~wherein when an optimal solution is found using the second subroutine, performing the third subroutine of re-running the optimization routine to account for minimum investment values~~.

Claims 21-26. (canceled)

27. (currently amended) The method of claim 20, wherein the during the first step of the iterative routine the processor is programmed to use ~~further comprising providing~~ ~~the first~~

~~subroutine with~~ three sets of predetermined initial weights ~~values~~ for each of the possible investments ~~which are run by the first subroutine~~.

Claims 28-30. (canceled)